

## Senate Bill No. 465

### CHAPTER 342

An act to add Sections 81004 and 81678 to the Education Code, and to amend Section 15792 of the Government Code, relating to postsecondary education.

[Approved by Governor August 25, 1997. Filed with Secretary of State August 25, 1997.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 465, Rainey. Community colleges.

(1) Existing law authorizes a community college to build campus facilities on school, local government, or other public property not owned by the community college, if the community college obtains permission from the owner of the public property.

This bill, in addition, would authorize a community college to develop a public-private partnership for the purpose of establishing education buildings or education centers. The bill also would (a) authorize the facilities to be constructed on a site through the public-private partnership agreement between the community college and the private sector, and (b) specify that the construction of any education building or education center is subject to approval by the Board of Governors of the California Community Colleges if the education building or education center is eligible for state funding for construction, equipment, or ongoing maintenance.

The bill would prohibit community colleges from being eligible to receive state funds for off-campus centers unless recommended by the California Postsecondary Education Commission pursuant to specified provisions of existing law.

The bill also would provide that, if a community college requests state funding for a facility constructed through a public-private partnership, funding for that facility shall not supersede community college facilities that have been previously prioritized by the board of governors and are awaiting state funding. The bill also would authorize a community college to request state funding for instructional equipment for an education building or education center that is constructed through a public-private partnership or that is acquired without state funding, and would specify that funding for that equipment shall be provided in the same manner as for other community college facilities, provided that the construction or acquisition of the facility otherwise would have qualified as a priority project for state funding.

(2) Existing law authorizes the Department of Finance and the State Public Works Board to approve obligations incurred by state

agencies that are to be met during the fiscal year following the year of a project completion, for the purchase of equipment related to capital outlay projects for which the Legislature has appropriated construction funds.

This bill in addition would authorize these agencies to approve obligations incurred by community college districts that are met during the fiscal year following the year of any project completion, for the purchase of equipment related to that project regardless of whether the project was built or purchased with funds appropriated by the Legislature.

(3) The bill would require the board of governors to adopt regulations to implement the changes made by this bill.

*The people of the State of California do enact as follows:*

SECTION 1. Section 81004 is added to the Education Code, to read:

81004. (a) A community college may develop a public-private partnership for the purpose of constructing education buildings or education centers. The facilities may be constructed on a site donated through the public-private partnership agreement between the community college and the private sector. The construction of any education building or education center is subject to approval by the Board of Governors of the California Community Colleges if the education building or education center is eligible for state funding for construction, equipment, or ongoing maintenance. Community colleges shall not be eligible to receive state funds for off-campus centers unless recommended by the California Postsecondary Education Commission pursuant to Section 66904.

(b) (1) If a community college requests state funding for an education building or education center constructed through a public-private partnership, funding for that facility shall not supersede community college facilities that have been previously prioritized by the board of governors and are awaiting state funding. These facilities shall be subject to the board of governors' annual prioritization process and shall not receive higher priority for state funding solely because the facilities are constructed through a public-private partnership.

(2) Any state funding to reimburse a community college for construction of a facility pursuant to this subdivision shall not exceed that community college's share of costs.

(c) A community college may request state funding for instructional equipment for an education building or education center that is constructed through a public-private partnership or that is acquired without state funding. However, funding for that equipment shall be provided in the same manner as for other community college facilities, provided that the construction or



acquisition of the facility otherwise would have qualified as a priority project for state funding.

(d) On or before January 1, 1999, the board of governors shall adopt regulations to implement this section. However, prior to adopting these regulations, the Chancellor of the California Community Colleges shall consult with the Department of Finance and the Legislative Analyst.

SEC. 2. Section 81678 is added to the Education Code, to read:

81678. (a) As provided in Section 15792 of the Government Code, community college districts are eligible for reimbursement for the purchase of equipment related to a facility, regardless of whether the facility was built or purchased with funds appropriated by the Legislature and that funding for equipment shall be provided in the same manner as for other community college facilities.

(b) On or before January 1, 1999, the Board of Governors of the California Community Colleges shall adopt regulations to implement this section. However, prior to adopting these regulations, the Chancellor of the California Community Colleges shall consult with the Department of Finance and the Legislative Analyst.

SEC. 3. Section 15792 of the Government Code is amended to read:

15792. (a) The Director of Finance shall administer this part and provide assistance to the board as it requires. When the board has determined that any construction, improvements, and the purchase of equipment is to be undertaken, or that plans and specifications for construction, improvements, and equipment shall be prepared, the Director of Finance by executive order shall allot to the University of California the amount required to perform the work approved for the University of California, or to the Department of General Services or other state agency the amounts required to perform the work approved by the board for other state agencies. The University of California or the state agency to which money has been allotted shall perform that work or cause it to be performed in the manner provided by law.

(b) (1) State agencies may incur obligations, to be met during the fiscal year following the year of a project completion, for the purchase of equipment related to capital outlay projects for which the Legislature has appropriated construction funds.

(2) In addition to paragraph (1), community college districts may incur obligations, to be met during the fiscal year following the year of any project completion, for the purchase of equipment related to that project regardless of whether the project was built or purchased with funds appropriated by the Legislature.

(c) No obligation shall be incurred under this section without the approval of the Department of Finance and the State Public Works Board. Purchase orders issued and contracts entered into under this



section shall not exceed a total of three million dollars (\$3,000,000) in estimated costs.

(d) On or before January 1, 1999, the Board of Governors of the California Community Colleges shall adopt regulations to implement the changes made to this section by Senate Bill 465 of the 1997–98 Regular Session of the Legislature. However, prior to adopting these regulations, the Chancellor of the California Community Colleges shall consult with the Department of Finance and the Legislative Analyst.

